

MEETING OF THE DODGE COUNTY FINANCE COMMITTEE

September 12, 2017, 8:00 A.M.

FIRST FLOOR AUDITORIUM – ROOMS H and I

DODGE COUNTY ADMINISTRATION BUILDING, JUNEAU WI 53039

The meeting was called to order by Dodge County Finance Committee Chairman, Dave Frohling, at 8:00 a.m.

Members present from the Finance Committee: Benter, Fink, Frohling, Guckenberger, and Schaefer.

Member(s) absent from the Finance Committee: None.

Others present: Finance Director Julie Kolp; County Administrator Jim Mielke; Deputy County Clerk Christine Kjornes; Corporation Counsel Kimberly Nass; Dodge County Clerk Karen Gibson; Dodge County Chief Deputy Sheriff Scott Smith; Dodge County Sheriff Operations Captain Scott Mittelstadt; Human Services and Health Department Director Becky Bell; Human Services and Health Department Fiscal Support Services Division Manager Monica Hooper; Information Technology Director Ruth Otto; Emergency Management Director Amy Nehls; Clearview Director of Financial Services Bill Wiley; County Board Chairman Russell Kottke; County Board Supervisor Joseph Marsik; Clyman Fire Chief Eric Howlett; Beaver Dam Fire Chief Alan Mannel; and Citizen Judy Frohling.

Finance Director Julie Kolp certified the public notice given for this meeting complies with the requirements of Wisconsin's open meetings law.

Motion by Benter, seconded by Schaefer to allow the chair to deviate from the agenda at his discretion. Motion carried.

Motion by Fink, seconded by Benter to approve the August 8 minutes, as presented. Motion carried.

County Administrator Jim Mielke provided an oral report to the Committee regarding a Resolution to adopt the Dodge County Capital Improvement Program for 2018-2022. Mr. Mielke reported that an updated version has been provided to the Committee members, and this updated version includes the following changes:

- Installation of a generator at the Mayville Highway Shop for COOP use has been removed from the 2018 Budget of the Emergency Management Department budget and added to the 2018 Budget of the Highway Department budget;
- Removal of Upgrade Information and Records Management System from the 2018 Budget of the Sheriff's Office;
- Addition of the Jail Replacement Project to the 2020 Budget of the Sheriff's Office in the estimated amount of \$21 million;
- Addition of the Training Facility Project at the current J Pod location to the 2021 Budget of the Sheriff's Office.

Motion by Schaefer, seconded by Fink to approve and forward to the County Board for consideration at its September 19, 2017 meeting, a Resolution to Adopt the Capital Improvement Program for 2018-2022. Motion carried.

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Mr. Mielke provided an oral report to the Committee regarding a Resolution to adopt the Financial Plan for the 2018 Dodge County Budget. Mr. Mielke reviewed the draft document entitled *Financial Plan for the 2018 Dodge County Budget (August 31st draft)* that was included in the packet materials, and Mr. Mielke explained that the Highway Department was allocated \$1 million, of which \$912,083 will come from County Sales and Use Tax, and \$87,917 will come from accumulated sales tax. Mr. Mielke reported that Dodge County has had past discussions with members of the Dodge County Fire Chief's Association regarding Dodge County's assistance with the funding of new water rescue equipment, and Clyman Fire Chief Eric Howlett and Beaver Dam Fire Chief Alan Mannel are present to answer questions. Mr. Mielke further reported that \$40,000 in accumulated sales tax has been allocated for the purchase of Dodge County Water Rescue Equipment, and the Dodge County Fire Chief's Association will have to supply to the Finance Committee a list of supplies needed before the \$40,000 will be distributed. Supervisor Fink asked where the new equipment would be stored once the equipment is purchased. Mr. Mannel responded that eleven (11) fire departments have requested new equipment, and their needs will be evaluated. Supervisor Marsik asked if Dodge County's funding would assist Towns in deferring the cost of the equipment. Mr. Mannel responded that twenty-five percent (25%) of donations would go to defer costs to Towns. Supervisor Guckenberger asked for clarification of item number two (2) on the draft document entitled *Financial Plan for the 2018 Dodge County Budget (August 31st draft)* that reads as follows: *(The Dodge County Board of Supervisors may make unassigned general fund transfers at a meeting scheduled to be held in October and November, 2017. This not to exceed \$1,400,000 amount will be reduced by the amount of these transfers, if any.)* Mr. Mielke explained that the statement sets a perimeter and assists in maintaining compliance. Motion by Benter, seconded by Guckenberger to approve and forward to the County Board for consideration at its September 19, 2017 meeting, a Resolution to Adopt the Financial Plan for the 2018 Dodge County Budget. Motion carried.

Dodge County Clerk Karen Gibson provided an oral report to the Committee regarding a Resolution for the Authorization to Acquire Election Voting System and Related Products and Services. The Fiscal Note set forth in the Resolution was presented to the Finance Committee for its review and approval. The Fiscal Note sets forth a Fiscal Impact in the amount of \$400,000 Sales & Use Tax & \$150,000 Municipality Share. Actual: \$259,329 Sales and Use Tax & \$135,125 Municipality Share. Total project savings as a whole: \$155,546. Total savings to Dodge County \$140,671, on the adopted 2017 budget. Ms. Gibson reported that the Resolution was approved by the Information Technology Committee at their meeting that was held on September 11, 2017, and the delivery of the election equipment is scheduled for September 29, 2017, pending County Board approval at their September 19, 2017 meeting. Ms. Gibson further reported that \$400,000 in sales tax was budgeted, and the *Election Voting Equipment Agreement* has been signed by each Dodge County municipality. Supervisor Guckenberger voiced his concern with the use of the word "may" in the *Election Voting Equipment Agreement*, and that the word "shall" should be used instead. Ms. Gibson explained that the *Voting System Project Cost Itemization, September 2017*, shows that Dodge County received a discount in the amount of \$121,987.00, which was put towards the county cost, not the municipality cost.

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Motion by Schaefer, seconded by Benter to approve the Fiscal Note as presented, to authorize and direct the Finance Committee's Chairman to sign the Fiscal Note, and to approve and forward to the County Board for consideration at its September 19, 2017 meeting, a Resolution authorizing the acquisition of a new Election Voting System and Related Products and Services. Motion carried.

Clearview Director of Financial Services Bill Wiley provided an oral report to the Committee regarding Clearview write offs. Mr. Wiley reported Clearview Administrator Jane Hooper has authorized the write off of uncollectible receivables in the amount of \$72,546.72, and the majority of the write off was due to a resident passing away while in deviation, and the Medicaid coverage had lapsed. Mr. Wiley further reported that the write off was also due to a resident passing away that had been making payments and there was no estate, therefore, Clearview was unable to recoup money owed. Mr. Wiley reviewed the article entitled *Average hospital revenue cycles losing roughly \$22 million to missed revenue capture thanks to cost focus* that was included in the packet materials. Mr. Wiley explained that some insurance companies audit claims on a regular basis for the purpose of recouping funds.

Finance Director Julie Kolp provided a brief oral report to the Committee regarding an employee benefit write off. Ms. Kolp reported that a former Dodge County employee incurred insurance benefits while off of work, and this employee has an outstanding balance. Corporation Counsel Kimberly Nass reported that this case has not gone to small claims, and the Human Resources Department has recommended that Dodge County not pursue, therefore, the amount of \$694.19 needs to be written off.

Ms. Kolp reported that the Committee had tabled the Highway Department Bad Debt Write Offs to the September 2017 Finance Committee meeting to allow Highway Department staff members to attend the Finance Committee meeting to answer questions of the Finance Committee. Supervisor Frohling stated that there is no Highway Department staff member in attendance, therefore, he reviewed an email that was received by Ms. Kolp on September 11, 2017, from Highway Commissioner Brian Field that included the following:

- Customer – Tammy Wagner – Invoice was sent in error after an agreement was made by Mr. Field to repair a Dodge County fence after a tree from the Wagner property fell on the fence, - \$404.59.
- Customer – Union Pacific Railroad – Involved a railroad bridge on County Road C in Dodge County that was replaced in 2008 by Union Pacific Railroad, Dodge County invoiced Union Pacific Railroad at that time and it was paid in full. The Wisconsin Department of Transportation completed the final billing for this project in 2013, but Union Pacific Railroad had closed out this project in 2008, therefore, they would not pay the remaining amount owed for the replaced of the railroad bridge - \$2,150.13.
- Customer – Veolia North America – The Highway Department staff removed and replaced broken sidewalk near the Monarch Property in the City of Beaver Dam that was damaged by large trucks/equipment driving over that area of sidewalk. Veolia North American admitted fault, but have not paid the invoice - \$2,184.79.

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Motion by Guckenberger, seconded by Schaefer to authorize the Clearview write offs, the Finance Department write off, and the Highway Department write offs. Motion carried.

Ms. Nass provided an oral update to the Committee regarding the request to change the Fiscal Note box. Ms. Nass reviewed a memo dated September 11, 2017 that she had emailed to the Finance Committee members regarding the Use and Format of Fiscal Note. Ms. Nass reported that the memo listed the fiscal note format decided upon by the Finance Committee at their August 8, 2017 meeting, and is as follows:

*Fiscal Note: The revenue/expenditure is contained in current year budget: ____yes ____no ____n/a. Budget impact: \$ +/- _____. Finance Committee review date: _____ Chair initials _____. Mr. Mielke commented that Resolutions regarding a fiscal impact on a future budget year, such as the creation of job positions, should not require a fiscal note, and he voiced his concerns that we are making more of an issue out of this than it is and could potentially be making more work for staff that is not needed. Ms. Nass reported that a fiscal note on a Speed Zone Resolution is the reason for the discussion on the current fiscal note box, and in 2013, the Finance Committee approved the use of the fiscal note, and the minutes of August 5, 2013 reads as follows: *The fiscal impact of each resolution that will require an expenditure of money will be reviewed by the Finance Committee and the "Fiscal Impact" notation to each such resolution will include a provision for the signature of the Chair of the Finance Committee.* Supervisor Frohling commented that if an expenditure is included in the budget, it is the Department Heads responsibility, and it should not have to be presented to the Finance Committee for review. Ms. Kolp commented that the validation of information is important. Ms. Nass stated that on occasion, the County Board is required by Wisconsin State Statutes to act on a Resolution or Ordinance, such as speed zone changes. Ms. Kolp suggested that there could be a \$10,000 threshold, rather than \$50,000 for all fiscal notes, based on the similarity to the Audit Committee authority. Ms. Nass reported that during the process of drafting a Resolution, some of the questions she asks of the Department Heads are as follows: what action is needed; what needs to be voted on; and if funds are being expended, where are the funds being expended from. The Committee had a discussion on if the budget impact amount should be included in the fiscal impact notation if included in the budget. Motion by Supervisor Guckenberger, seconded by Fink to change the fiscal note to be included on Resolutions to read as follows: *The revenue/expenditure is contained in current year budget: ____yes ____no ____n/a. Finance Committee review date: _____ Chair initials _____, and revisit in six (6) month or a year.* Motion carried.*

Human Services and Health Department Fiscal Support Services Division Manager Monica Hooper provided an oral update to the Committee regarding the Human Services and Health Department Client Billing and Collection. Ms. Monica Hooper reported that the Human Services and Health Department has been working with Netsmart remotely to resolve ongoing issues and self-pay customization. Ms. Monica Hooper further reported that the Human Services and Health Department staff are working on the March 2017 Crisis Claims, and once submitted, they will be notified by Forward Health if these claims have been paid or denied. Supervisor Guckenberger voiced his concerns that these issues need to be resolved. Ms. Monica Hooper commented that if a claim is closed, it would cost Dodge County a lot of money to reopen the claim. Ms. Monica Hooper reported that the Health and Human Services Department has sent

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out self-pay invoices internally and have received payments, and they have also sent invoices to insurance companies. Information Technology Director Ruth Otto commented that Netsmart has listened to our concerns, and have sent Netsmart staff to assist Dodge County with customizations. Ms. Otto stated that no payments have been made to Netsmart. Supervisor Guckenberger asked Ms. Monica Hooper for a mid-month update. Ms. Monica Hooper answered that she will email a memo to the Finance Committee members by September 25, 2017.

Ms. Monica Hooper provided a brief oral update to the Committee regarding the U. S. Department of Justice (DOJ) corrective action plan. Ms. Monica Hooper reported that the deadline to finalize and submit the corrective action plan to the DOJ is September 12, 2017, and Dodge County will wait for feedback from the DOJ.

Mr. Mielke provided a preliminary review of the 2018 Budget. Mr. Mielke reported that department budgets have been submitted, the County Levy Limit Worksheet has not been released, but he anticipates a levy increase for Dodge County. Mr. Mielke further reported that the Employee Trust Fund (ETF) has not released the state health insurance rates for 2018, and when the rates are released, the Human Resources and Labor Negotiations Committee will meet to review and discuss the rates. Ms. Kolp commented that the County Levy Limit Worksheet was released on September 8, 2017, but she is working with the Information Technology Department to assist her in downloading the document.

Mr. Mielke reported that Committee members were provided with a document entitled *2018 Mini-Budget Presentations, September 26th-September 28th, 4:00 p.m. – Administration Building Auditorium*, listing each department and which day their budget will be reviewed. Mr. Mielke further reported that a one-page summary of changes will also be presented at each meeting.

Information Technology Director Ruth Otto provided a brief oral update to the Committee regarding Request for Proposal (RFP) of Dodge County Banking Services. Ms. Otto reported that as of September 5, 2017, two (2) RFP's have been received by Dodge County, those RFP's were from Associated Bank and US Bank, and a report will be presented to the Finance Committee at their October 2017 meeting.

Ms. Kolp provided an oral update to the Committee regarding the combining of four (4) payroll cycles into one (1) payroll cycle. Ms. Kolp explained that the gathering of information to combine the payroll cycles was put on hold per Jim Mielke due to the issues with the health insurance. Ms. Kolp provided a brief description of what she will be including in the "white paper" report regarding combining the Dodge County payrolls to a single county wide payroll, and this will include some of the following:

- Goals – Payroll, Technology, Process
- Risk and Processes
- Difference between scheduling, timekeeper and payroll

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Mr. Mielke asked to place this item on the October 2017 Finance Committee meeting for more discussion.

There was no discussion on the Statement of the Dodge County Treasurer, the County Investments, the County Sales and Use Tax Report, the Equalized Value Reports and Net New Construction.

Ms. Monica Hooper provided a brief oral report to the Committee regarding an Unbudgeted/Excess Revenue Appropriation request. Ms. Monica Hooper reported that round 2 of the Dementia Innovation Grant funding was awarded in the amount of \$22,477, and the Human Services and Health Department is requesting to transfer \$22,477 to various account numbers within BU 5040 to be used towards prevention and early diagnosis of dementia. Ms. Monica Hooper further reported that the Human Services and Health Department also requests an Intra-Department Fund Transfer in the amount of \$435,000 to cover excess expenditures in the CCS Program.

Dodge County Chief Deputy Sheriff Scott Smith provided a brief oral report to the Committee regarding Unbudgeted/Excess Revenue Appropriation requests. Mr. Smith reported the following:

- An increase in jail population caused a shortage in Jail Dietary Services, therefore, monies need to be appropriated to BU 2061.5275 in the amount of \$70,000 to cover the shortfall in jail dietary services.
- Apply unbudgeted revenue in the amount of \$49,000 from BU 2062.4722.207 DOC Short Term Sanctions to cover revenue shortage in BU 2051.4552.204 Civil Process Fees. Mr. Smith reported that an accounting error was discovered in Civil Process Fees after the 2017 Sheriff's Department budget was submitted.
- Apply unbudgeted revenue in the amount of \$10,500 from BU 2062.4722.207 DOC Short Term Sanction to BU 2061.5818 Computer Equipment, to cover the purchase of Crystal Reports, computer software.

Mr. Smith provided a brief oral report to the Committee regarding an Intra-Department Fund Transfer request. Mr. Smith reported that there has been an increase in outpatient/clinical services, and there are funds available in BU 2061.5819 in the amount of \$30,000 to cover the shortage in BU 2061.5291.2 Jail Outpatient/Clinical Services.

The Committee had a brief discussion on Dodge County Vouchers \$10,000 or more.

Ms. Kolp provided an oral update to the Committee regarding the Enterprise Resource Planning (ERP) Project. Ms. Kolp reported the following:

- A Subject Matter Expert (SME) presentation was provided to Management Council at their August meeting.
- Tyler contract has not been signed.
- Important to stay on schedule and adhere to timeline once implementation begins.

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- The Steering Committee had discussions regarding decision making for other operations, which is a concern.

Ms. Otto reported that Dodge County has engaged with R.A. Smith to interview departments to determine their GIS needs.

Ms. Kolp reported that Winnebago County has a solid foundation of the Munis system, and there have been discussions on scheduling a visit to Winnebago County for the purpose of having a demo of their Munis system.

Ms. Nass provided a brief oral update to the Committee regarding the General Obligation Refunding Bonds. Ms. Nass reported that a meeting was held in August with the financial advisor of Ehlers to discuss Dodge County's dissatisfaction with the closing process of the general obligation refunding bonds, and due to our dissatisfaction, Ehlers offered three (3) year disclosure services at no cost to Dodge County.

Ms. Kolp provided a brief oral update to the Committee regarding the Internal Revenue Service (IRS) penalty. Ms. Kolp reported Zetley Law Offices has filed information with the IRS, and the IRS requires forty-five (45) days to review the information provided to them and to make their decision.

Supervisor Frohling reported that the special budget review meetings are scheduled for September 26-28, 2017, at 4:00 p.m.

The next regular meeting is scheduled for Tuesday, October 10, 2017, at 8:00 a.m., in the Auditorium, located on the first floor of the Administration Building.

Supervisor Fink stated that he is unable to attend the October 10, 2017 Finance Committee meeting.

Ms. Gibson asked Supervisor Frohling to sign the fiscal note box on the Resolution for the Authorization to Acquire Election Voting System and Related Products and Services.

With no other business on the agenda, Chairman Frohling declared the meeting adjourned at 10:50 a.m.



Ed Benter,
Secretary

Disclaimer: The above minutes may be approved, amended or corrected at the next committee meeting.